

TRAFFORD COUNCIL

Report to: Executive
Date: 27 January 2019
Report for: Consideration
Report of: Scrutiny Committee Chair

Report Title

OVERVIEW AND SCRUTINY REVIEW OF THE EXECUTIVE'S DRAFT BUDGET PROPOSALS FOR 2020-2021

Summary

The Executive's Draft Budget Proposals for 2020/21 were agreed at its meeting held on 14 October 2019. The Executive Member for Finance and Investment gave a presentation to the Scrutiny Committee on 13 November 2019 setting out the proposals.

Two Budget Scrutiny Working Group sessions were then held on 3 December 2018 and 5 December 2019 with the relevant Executive Members and Senior Officers in attendance to provide background information on the proposals and to answer Scrutiny Members' questions.

This report reflects the outcome of those discussions and summarises areas for the Executive's further consideration in developing its final proposals and response.

Members welcome the balanced budget proposals for 2020/21 and they are satisfied with the Council's plans for the year. However, during the sessions a number of areas were identified where Scrutiny would like further information and assurance. These areas were;

- **Investment Management Strategy**
- **Council Reserves**
- **Breaking Down Silos**
- **Service Transformation**
- **Accommodation**
- **Early Intervention and Prevention**
- **Commissioning**
- **Demand Led Services**

Scrutiny Members have identified these areas for follow up as part of its work planning for 2020/21.

Recommendation(s)

That the Executive receive, note, and respond to the report and the proposed action plan.

Contact person for access to background papers and further information:

Name: Alexander Murray, Governance Officer

Extension: 4250

Background Papers: None

BUDGET SCRUTINY REPORT - 2019/20

Foreword by the Chair of Scrutiny Committee

We welcome the opportunity for Scrutiny Members to review and comment on the budget proposals at an early stage. On behalf of Scrutiny Members, we would like to thank the Executive, Corporate Leadership Team and the Scrutiny, Health Scrutiny and Children and Young People's Scrutiny Members for their patience and contribution to the process.

Members acknowledged that the Council continues to work within an increasingly challenging financial climate, and the focus of Scrutiny input has been on the robustness and deliverability of the current proposals in the light of experience of budget savings already made in previous years, and the potential impact on communities and service users.

We hope that our Budget Scrutiny will contribute to the decision making process and in ensuring that robust processes are in place to manage changes. We have identified areas where we feel that there are risks and we look forward to receiving details of how the Executive will address these. We will be following up a number of areas in our work programmes for the next municipal year.

Councillor David Acton

Chair, Scrutiny Committee.

December 2019

Background

The Chair of the Scrutiny Committee decided that due to the limited amount of time and resources available, as a result of the election in December, that the Budget Scrutiny Sessions would focus on four key areas of the budget only. The first session looked at the Place Directorate, including the Investment Management Strategy, and a detailed breakdown of the Council's reserves. Originally the Chair had requested that the Capital Budget be covered in this session but as this part of the budget was not yet ready it was agreed that this would be picked up by the Committee later in the municipal year. The Second Session was to consist of Adult and Children's Directorates. In the Second Session the Councillors asked a number of questions relating to the funding to schools however there was not much detail available as this information had not been requested. The Corporate Director of Finance and Systems informed the Group that this information could be provided after the meeting if required.

It was requested that for each area four slides be provided with a breakdown by department, the changes from the previous year, and significant challenges highlighted to the Committee. The presentation was produced and circulated to Councillors along with a spreadsheet containing a breakdown of the Council's reserves by the 29th November which gave Members time to review the documents prior to the meetings.

Key Messages

Over the Course of the two sessions there were a number of key themes, detailed below, which emerged as being of particular interest to Scrutiny Members.

Investment Management Strategy

Scrutiny Members wanted to understand the investment strategy and the role that it played in the Council's business. The Corporate Director of Place explained to the group the type of investments the Council made, what the Council gained from such investments, the risks to the Council from the investments, where the money came from, and how the Council found their investment opportunities. Following the overview Scrutiny Members asked many questions about the current investments and about other ways in which the council could invest. The Councillors found the overview provided very informative but felt that they still had much more to learn about this process before they would be able to scrutinise it in depth. The Councillors requested that training be provided for Scrutiny Members and that, following the training, the Investment management board come to the Scrutiny Committee every six months.

Council's reserves

Scrutiny was also interested in the position of the Council reserves. This was a concern that had been carried forward from the previous year's budget scrutiny

sessions where the low levels of reserves that the Council operated with was one of the main issues identified by the Committee. Scrutiny had been provided with a full list of reserves and the Deputy Director of Finance provided a short overview followed by a question and answer session. The Councillors were made aware that the Council was still operating with a low level of reserves in comparison to other Councils but that the burn rate of the reserves was also low when compared to other Councils with the Council having been able to replenish some reserves during the previous year. Scrutiny was also informed that due to the delay in the business rates reset until 2021/22 Officers continued to hold reserves to mitigate the risks posed to the Council.

While Scrutiny found the information provided, the overview, and responses given by the Deputy Director of Finance useful they felt they only scratched the surface of this area. Members requested that they have a session focused purely upon the reserves in order that they can gain a better understanding of them.

Transforming Services

In Session two there was a lot of discussion around the need to transform the way that services are delivered in order to be able to meet the increasing demand and complexities while keeping costs low. The Corporate Director of Adult Services and the Interim Corporate Director of Children's services both mentioned in their presentations about how keeping older people in their homes and children with their families were both cost effective and preferable for the individuals.

Scrutiny was informed that the challenges that the Council face within social care cannot be tackled by those teams alone. An example of this being the need for new care provision in the borough and how the Council's social care and planning teams could work together to influence developers to provide the right facilities within the area. A Member identified the Council's work on creating a local plan as a key area for cross working between the Adult's, Children's, and Place Directorates.

At the meeting there was recognition from Executive Members and all of the senior officers that a whole system approach was required to deliver services and realise benefits appropriately. Scrutiny welcomes this approach and would like to be kept up to date with the Council's plans to break down barriers between teams in the Council and other organisations.

Scrutiny recognise that while work to break down silos has been carried out in the area Special Educational Needs and Disabilities (SEND) provision was highlighted, as an area where silos needed to be broken down. Scrutiny recognises that the Council needed to work closely with partners including schools and health services who also support SEND children in order to meet their needs. Scrutiny welcomes the Council's decision to commission a review on SEND provision to be conducted by the Local Government Association (LGA) during the next year. This area is of particular interest to the Children and Young People's Scrutiny Committee and

Scrutiny ask that the Executive and Officers work closely with the Committee in this area.

Scrutiny recognises the need for continued transformation within the Council in order to continue to provide services to residents in difficult financial times. Scrutiny asks that the Council's Transformation plans for each area be brought to the relevant Scrutiny Committee in the 2020/21 municipal year.

Accommodation

The difficulties caused by a lack of adequate accommodation both in Adult's and Children's services were apparent from the discussions at the meeting. Scrutiny welcomed the candour of the Executive when discussing these issues during the sessions. However, this issue is of concern to Scrutiny as the costs of out of borough placements and the risks associated with using unregulated housing need to be addressed. Although the number of children in out of borough placements was low they represented a large cost to the Council and were often not the best solution for user and their family. Scrutiny were told that the Council was looking at a number of potential plans to provide more accommodation within the borough and Scrutiny Supports these plans and requests that the Executive move forward with them as soon as possible.

Scrutiny was also informed that due to numbers Trafford was not in a position to provide some high level forms of support. This provision was instead going to be provided at a Greater Manchester level with GMCA looking to develop more high level provision soon. Scrutiny asks that the Health Scrutiny Committee be kept informed on the development of this provision.

Early Intervention and Prevention

Scrutiny noted that there was a need to increase the role that early intervention and prevention played within the system to decrease future demand across Adult's and Children's Services. Members welcome that the Council have started to invest in the Front Door and Early Help services and that research is being conducted to find the best way to invest further in this area. Scrutiny asks that the outcomes of the research and the Council's proposals for investment be reported to the Children's Scrutiny Committee when available.

The Chair raised concerns about how the Council were planning to capture the savings which preventative services delivered. The Executive Member for Health and Wellbeing and Equalities informed the group that the Council were looking at ways to capture these savings. The Corporate Director for Adults Services added that she had been working with the Director of Public Health to identify areas of preventative work where the benefits would be more immediate and easier to measure. Scrutiny asks to receive the Council's benefits realisation plans for preventative services.

Home to School Transport

Scrutiny noted that there had been an increase in demand for home to school transport and that the Council were reviewing the eligibility criteria and the vehicles that were being used for the service. This raised concern as a Scrutiny Member had been contacted by a resident who had issues with the service. At the Meeting Members were told there were rare occasions where issues had arisen relating to the number of passenger assistants. Scrutiny asks that a report on this service which includes an update on proposed changes within the service be delivered to the Scrutiny Committee in the 2020/21 Municipal year.

Commissioning

During the meeting there was a lot of discussion around the Council's Commissioning team including what services they provided and whether the Council could make savings in this area if they were to deliver a service in-house. The Corporate Directors for Children's and Adult's services gave a brief explanation of commissioning and the function of the service however; Scrutiny felt that a dedicated session for Members of the Council's Scrutiny Committees was needed to develop their understanding of Commissioning, which would enable Scrutiny Members to see if the Council could reduce costs while improving services.

Demand Lead Services

Scrutiny continues to be concerned with the Council's position regarding demand led services. While Scrutiny understand that the Council's forecasts are based upon the best information available to them there remains the possibility that an unexpected surge in demand could have a large impact upon the Council's budget and further deplete the Council's reserves. Scrutiny asks that they receive regular updates throughout the year as to the actual compared to the projected demand to provide assurance as to the robustness of the Council's forecasting.

BUDGET SCRUTINY ACTION PLAN

Area	Scrutiny Recommendation	Executive Response
<p>Investment management Strategy – Members feel that as this is such a key part of the Council’s budget plans for the foreseeable future that it should be closely monitored by Scrutiny</p>	<p>Scrutiny asks that its Members receive training on the Investment Management Strategy.</p> <p>Scrutiny requests updates on the Investment Management Strategy every 6 months.</p>	
<p>Council Reserves - The Committee are concerned that the Council continues to operate with a comparatively low level of reserves and feel that Scrutiny need assurance that the Council’s position is robust.</p>	<p>Scrutiny request to have a dedicated session with Officers to discuss the Councils reserves in detail so that they have a full understanding of the Council’s position.</p>	
<p>Service Transformation – Scrutiny support the Council’s position that services need to stop working in silos. Scrutiny wants to be kept updated as to the Council’s progress in this area to ensure that change is delivered.</p>	<p>Scrutiny recommends that the Executive Members for Adults and Children’s Services and Senior officers be involved in the creation of the Council’s Local Plan.</p> <p>Scrutiny asks that the councils transformation plans be brought to the relevant Scrutiny Committee.</p> <p>Scrutiny asks that the Executive works closely with the Children and Young People’s Scrutiny Committee around the development of the Council’s SEND Service</p>	
<p>Accommodation – Scrutiny is concerned that the provision of accommodation within the borough is not currently sufficient to meet demand.</p>	<p>Scrutiny recommends that the Executive prioritise the development of additional provision within the borough.</p> <p>Scrutiny asks that the Executive</p>	

<p>Scrutiny welcomes the Executives plans to address this issue and support them in moving forward with these developments.</p> <p>Scrutiny also welcomes and supports the development of high level provision at the GM Level.</p>	<p>provide regular updates on the development of this provision.</p> <p>Scrutiny requests that the Health Scrutiny Committee receive regular updates on the development of the high level facilities by GMCA.</p>	
<p>Early Intervention and Prevention – Scrutiny is concerned at the level of the Council’s services in this area. Scrutiny welcomes the investment in Children’s services and the Executives plans to continue this increased investment. Scrutiny also welcomes the ongoing work in Adults services, especially public health, in preventative services.</p> <p>Scrutiny wants to ensure that the benefits from the preventative work are captured and so would like to be informed of the methods used by the Council.</p>	<p>Scrutiny asks that the Executive update the Children and young people’s Scrutiny Committee on the plans to improve the Council’s early intervention and prevention services.</p> <p>Scrutiny asks that the Health Scrutiny Committee receive updates on the impact of the Council’s Cancer screening and immunisation programmes</p> <p>Scrutiny requests an update on the benefit realisation methods used by the Council for preventative services.</p>	
<p>Home to School Transport – Scrutiny are concerned with the number of issues within this service as it provides support to some of Trafford’s most vulnerable residents.</p>	<p>Scrutiny asks that a report on this service and the planned developments be provided to the Children and Young People’s Scrutiny Committee.</p>	
<p>Commissioning – Scrutiny recognises that commissioning is a large aspect of the services the Council delivers and feel that Scrutiny Members need to fully understand the service to be able to carry out their role.</p>	<p>Scrutiny would like for all Scrutiny Committee Members to receive training to enable them to see if the Council could reduce costs while improving services.</p>	
<p>Demand Led Services – Scrutiny continue to be concerned regarding the Council’s</p>	<p>Scrutiny requests regular performance updates on</p>	

<p>vulnerability to sudden increases in demand. Scrutiny would like to receive additional assurance that the Council's projections are sufficiently robust.</p>	<p>demand led services.</p>	
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